

## Appropriations Committee: General Government A February 24, 2017

## TESTIMONY OF SECRETARY OF THE STATE DENISE W. MERRILL:

- Good morning Co-Chairs Formica, Osten and Walker.
- And good morning to the subcommittee Chairs Slossberg; Ryan; Markley; Ranking Member Zawistowski and members of the committee.
- For the record, my name is Denise Merrill and I am the Secretary of the State.
- As all of you know, the Secretary of the State's office hosts a number of departments, including elections administration, eRegulations and business services, some of which generate considerable revenue for the state.
- In Fiscal Year 2016, my office generated more than \$31-million annually in fees and to date, in FY 2017, has generated more than \$18-million, which goes into the General Fund.
- Our annual operating expenses total only around \$9-million—less than a third of the
  money we generate—and the office has become leaner in recent years, which was done
  without impacting service to the public.
- Staff count has come down by about 25 percent from a decade ago. Modernizations we
  introduced over the last six years have helped this office keep up with demands despite
  having fewer people.
- Yet we have 40 staff members who will become eligible for retirement in the next two years and there are vacancies that need to be filled. If the budget fails to include them, our ability to carry out our constitutional duties and generate millions of dollars in revenue could be jeopardized.

- For example, we currently lack human resources personnel, anyone to produce the Blue Book and a number of other functions are currently unstaffed.
- We cannot slow down the formation of businesses, the flow of commerce or compromise our ability to administer free and fair elections.
- Modernizations like online voter registration and business formation provide services faster and more efficiently.
- There are certainly maintenance costs but those pale in comparison to the savings provided to the towns and the state.
- One critical example is the procurement of new voting machines for people with disabilities.
- We replaced older machines with new devices that allow people with disabilities to vote in an independent manner that protects the privacy of their ballot.
- There is a \$200,000 cost for maintenance and programming, which is absolutely essential but is not included in the Governor's proposed budget.
- To become more efficient without harming our ability to function, we must be strategic. We must be innovative.
- And so, today I suggest that there are other agencies and programs that would work better if they were realigned to be in my office.
- Specifically, the State Library, the state museum, the Humanities Council, and the Old State House, which encompass programs that the state Constitution already envisions being a part of the Secretary of the State's office.
- The Constitution states, at Article 4, Sec. 23, "The secretary of the state shall have the safe keeping and custody of the public records and documents, and particularly of the acts, resolutions and orders of the general assembly, and record the same; and perform all such duties as shall be prescribed by law."
- The Secretary traditionally carried out this role and was the primary keeper of state records until the establishment of the library, though over the years our agencies did share certain functions.
- Realigning the Connecticut State Library with the Secretary of the State's office would create a mid-sized state agency in both staffing and budget.
- Such a configuration would emulate a number of other states where the Secretary of State is charged with historic preservation and state heritage.

- Both the State Library and my office will experience retirements in the near future as well as other vacancies, so I am confident that such an administrative combination will not create any duplication of roles.
- Within a larger organization, we can look for ways to reorganize, shift positions and responsibilities, and find efficiencies following these departures.
- In addition, such an administrative arrangement would streamline public and municipal interaction with state government.
- Both of our agencies have a shared mission of transparency, historic preservation and public information.
- The Secretary of the State's office has participated in a number of joint initiatives with the Old State House on civic education and have found our partnerships to be a natural outgrowth of our shared missions.
- I would be happy to discuss in more detail how this realignment could occur and where efficiencies would be realized.
- To conclude, I have sat where you sit today, and I know how difficult your task is.
- That is why I have gladly helped to adapt my agencies throughout the years and do my part. But today I have to tell you that my agency cannot sustain any further without undermining my ability to ensure free and fair elections and the revenue contributed by my agency.
- Thank you.